

STATE OF NORTH DAKOTA
BEFORE THE COMMISSIONER OF INSURANCE

In the Matter of)	CEASE AND DESIST ORDER
)	AND NOTICE OF
Ned Nastrom,)	OPPORTUNITY FOR HEARING
)	
Respondent.)	CASE NO. AG-06-188

TO: Ned Nastrom dba Pawn World, P.O. Box 9983, Fargo, ND 58102

Commissioner of Insurance Jim Poolman (hereinafter "Commissioner") has determined as follows:

1. N.D. Cent. Code § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is or has engaged in an act or practice which violates or may lead to a violation of the North Dakota Century Code.

2. N.D. Cent. Code Chapter 26.1-26 regulates the licensing of insurance producers and N.D. Cent. Code Chapters 26.1-26 and 26.1-26.6 regulate the licensing of bail bondsmen in the State of North Dakota.

3. N.D. Cent. Code § 26.1-26.6-04 provides:

A person may not act in the capacity of a bail bond agent or perform any of the functions, duties, or powers prescribed for a bail bond agent under this chapter unless that person is qualified and licensed as provided in this chapter. However, this section does not prohibit any individual from pledging real or other property as security for a bail bond in judicial proceedings if the individual does not receive, or is not promised, money or other things of value therefor. Violation of this section is a class B misdemeanor.

4. N.D. Cent. Code § 26.1-26.6-02 provides:

The licensing and continuing education requirements under chapter 26.1-26 apply to bail bond agents.

5. N.D. Cent. Code § 26.1-26-03 provides:

No person may act as or hold oneself out to be an insurance producer, insurance consultant, or surplus lines insurance producer unless licensed under this chapter. A person may not sell, solicit, or negotiate insurance in this state for any class of insurance unless the person is licensed for that line of authority in accordance with this chapter. Any person willfully violating this section is guilty of a class C felony.

6. N.D. Cent. Code § 26.1-26-50 provides:

In addition to or in lieu of any applicable denial, suspension, or revocation of a license, any person violating this chapter may, after hearing, be subject to a civil fine of not less than one hundred dollars nor more than one thousand dollars. The fine may be collected and recovered in an action brought in the name of the state.

7. Ned Nastrom, P.O. Box 9983, Fargo, North Dakota, doing business as Pawn World (hereinafter "Respondent"), is presently, and has been at all times pertinent to this action, operating a bail bond finance and short-term loan business in Fargo, North Dakota.

8. On March 27, 2006, Complainant received a complaint from Luis Perez, Dilworth, Minnesota, regarding the Respondent's activities, a copy of which is attached as Exhibit 1. Mr. Perez states in this complaint that on or about February 27, 2006, he paid Respondent \$1,450 cash to secure the release of one Letticia Palacios from Clay County, Minnesota, jail. Ms. Palacios was being held pending the posting of either a \$4,000 cash bond or a \$15,000 appearance bond. Mr. Perez paid the \$1,450 cash to Respondent at Mr. Perez's place of business, Tribecca Corp., 725 17th Street North, Fargo, North Dakota. Respondent acknowledged receipt of the \$1,450 cash on the back of Respondent's business card which reads: "\$1,450 Luis Perez received on Letty Pallaco Bail Bond Financing Clay Co.", a copy of which is attached as Exhibit 2. By accepting the \$1,450 cash

payment to secure the release of Letticia Palacios from jail, Respondent sold, solicited, or negotiated insurance in the form of a bail bond and acted as a bail bondsman in North Dakota.

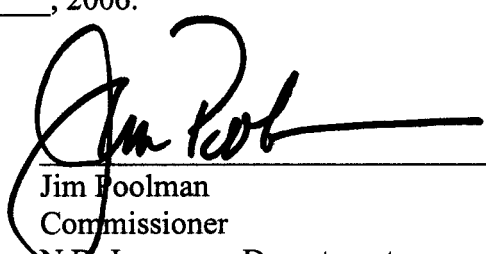
9. Respondent is not licensed in North Dakota either as an insurance producer or as a bail bondsman. In accepting \$1,450 cash payment to secure the release of Letticia Palacios from jail, Respondent violated N.D. Cent. Code §§ 26.1-26.6-04 and 26.1-26-03.

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D. Cent. Code § 26.1-01-03.1 that Respondent, whether acting in the State of North Dakota as an insurer, a risk retention group, a purchasing group, an insurance producer, or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall immediately **CEASE AND DESIST** from soliciting, transacting, or otherwise engaging in the business of insurance with residents of the State of North Dakota, including but not limited to acting or holding himself out to be a bail bondsman in this state.

IT IS FURTHER ORDERED pursuant to N.D. Cent. Code § 26.1-01-03.1 that Respondent may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondent fails to request a hearing in writing within 30 days after being served with a copy of this Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 11 day of May, 2006.



Jim Poolman
Commissioner
N.D. Insurance Department
600 East Boulevard Avenue
Bismarck, ND 58505
(701) 328-2440



COMPLAINT QUESTIONNAIRE - AGENT
NORTH DAKOTA STATE INSURANCE DEPARTMENT
SFN 19050 (Rev. 9-2003)

*the police know's His address
because he gets out lots of people out of jail*

Att. Mike Way

EXHIBIT 1

Issue No.:

Sent By: *Law*

600 East Boulevard Avenue
Bismarck, ND 58505-0320

Date

Name of Insured <i>Ned Nastrom's</i>	Daytime Telephone No. <i>701-729-1713</i>	Other Telephone Number	
Address	City <i>Fargo</i>	State <i>N.D.</i>	Zip Code

If you are filing this complaint on behalf of insured, please list your name and address and, if possible, have insured sign the bottom of complaint form.

Name of Complainant <i>Luis Perez</i>	Daytime Telephone No. <i>701-478 9922</i>	Other Telephone Number <i>218-233-3779</i>	
Address <i>606 3rd Ave NW.</i>	City <i>Dilworth</i>	State <i>MN</i>	Zip Code <i>55629</i>

Is this the only complaint you have filed with this Department regarding this matter? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Name of Insurance Company(ies) Involved <i>Pawn world and Stubstad Bail Bond</i>			
Name of Agent(s) Involved <i>Ned Nastrom's and MR. Stubstad</i> ^{<i>Mike</i>} <i>701 646, 0244</i> ^{<i>from</i>} <i>Wave</i> ^{<i>for</i>}			
Agent's Address (if known)	City <i>Fargo</i>	State <i>ND</i>	Zip Code
Policy Number(s)			
Assistance Requested From Department (i.e., payment of claim, refund, etc.) <i>← Need Assistance</i>			

Please use the space below or attach additional pages to give a detailed summary of your complaint. Please enclose with complaint a copy of your insurance policy and a copy of all correspondence between you and the insurance company and/or agent.

Mike Way

If complaint involves a health or an injury claim, please complete the following: I authorize the above-listed insurance company to release medical information in their possession to the North Dakota Insurance Department pertaining to _____, who is insured under Policy No. _____. I expressly release the above named insurance company from any and all liability in connection with the release of this medical information. 45 CFR 164.512 allows the release of information to the Department. I understand that the release of the above information is for investigative purposes only. I further understand that the facts relating to this complaint and personal and financial information such as address, home telephone number, Social Security number, credit, debit, or electronic fund card number, policy number, and company account number will become a matter of public record, and I agree to the release of such information if requested by a member of the public.

Signature of Insured X
On Behalf Of (If applicable)

RECEIVED

MAR 27 2006

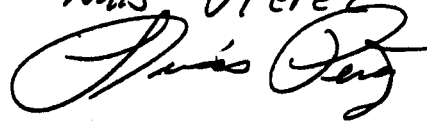
Commissioner of Insurance
State of North Dakota

ON Feb -27-06 I Call a friend of my Girl to
ASK for a Bail's Bond her Name
she send Ned Nastro to my work site ask
me if I was Bailing Letticia Palacios I said
if possible he ask for 10% of he Bail wish
was \$1500 I told him I was only able to Raise
\$1450 this was around 9:45 AM I was told he
didn't needed Caladeral when he got thier
he ask for a trailer Home Car's ect. I said
I didnt have any thing just the money and
I was short \$50⁰⁰ he didn't agree so I
told him to just Leave her in jail and said
to leave cause I was very busy he talk to
Larae Belgarde she call me 5min later after
he left told me if I had the money I said yes
Cash because he told her that it was OK \$1450
and I could owe him \$50⁰⁰ and he would get
Letticia out of jail so he pick Larae Belgarde
and Both went to my work I gave him ~~the~~
money counted it in front of him and her
he Re Counted the money I ~~ask~~ for a Reciept
he gave me a Bussniess Card and said that was
as good as a reciept wrote on Back of it How
much I gave him in front of Larae Belgarde
he than said he was going to get Leticia out
Call me later said Leticia was been transfer
to ADA that he would get her out later that
night he NEVER did second day I call him because
my Girl friend was going to loose Her job he told
me by the end of the day she will be out

same thing he didn't get her out I call him later that night he call me 9:30 AM said he would get her out late on the following day this would be the third day I told him she was going to court By then that she would probaby get out on her own I than told ^{her} to just wait for her Court date than if she wouldn't get out to get her out she did come out on her own he went to my job site the third day and she was out by than she had gone to my work and he saw her too so I ask him to give me my money Cause he didn't do his services that he had got paid for he told me he would give me my money he didn't two day later he told me again I would get my money by the end of the day and Nothin that kept on for several day's

Same story you'll get your money up to this date he hasn't paid me he call my house said that he wouldn't pay me because I had call the state on him so that he would let the state handle his situation and that I wasn't getting my money even Mr. Variando call me his an Attorney in m.s. at my friend's home and told me I'd better forget about calling the state and forget about my money if I knew what was good for me I told the police department-police said that they couldn't do a report because I wasn't threaten to me that was a treat Even the Company of Studsmen Bonding the owner

Call me and said that he didn't have Ned
working for him I had one other friend to
call 1800 No. of studsman Bonding asking to
Bail out some body the person said he had
a person in Fargo that would Bail him out
he ask who he said Ned Nastroom when
I talk to the law in Moorhead the exprecion
they gave me about Ned they said he has
a real bad record on doing thing like that
fargo police same thing Please do something
about this

Thank you
Luis Perez


On the 2nd 1st of Feb
Jai SE Percy called me
at home & asked if I
knew any bonds men
who could help get
litty out of jail. I
said I called cell and
system that I had
dealt with him before
for other bonds.

I called Ned he said
he would get her out for
1500.00. I called Jai
back & he said he only
had 1450.00 at this time
I called Ned & Ned
said that would be
fine.

Ned then came to
my home & picked me
up between 10:30 &
11:30 that morning & we
went to Jai's work.

Lake Bell

#2

I had informed Ned
that Gause would need
a receipt for the bond.

Then took a business
card from his wallet
and hand wrote a
receipt for Gause. Gause
handed him \$450.00
which both Gause &
Ned counted separately
in front of me.

I then asked Ned
if we were going to
get Betty at this point.
He stated that he had
just gotten off the phone
with the jailhouse &
was inside & that they
were transferring Betty
back to the 50. It
would be around 4:00pm
before we could go.
He stated he would

I call me when it was
 time. I never heard
 from Wed again. I
 talked with Betty Sen
 that Wednesday & he
 told me that Wed never
 got his money back.
 I called ~~him~~ to
 find out ~~what~~ to
 happen. ~~He~~ ~~said~~ ~~that~~
 Wed would not give him
 his money back nor did
 he get Betty out of jail.
 I told Savine about
 a discrepancy between
 Wed & 20000 that Wed
 had expected a blow
 job in lieu of the 20000
 in order to get someone
 out of jail and after
 receiving the blow job
 didn't get the person
 out of jail like Belgrade

CASS COUNTY

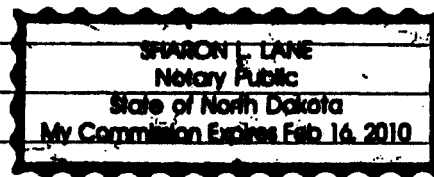
STATE OF NORTH DAKOTA

On this 16th day of March 2006, LARAE BELGARDE

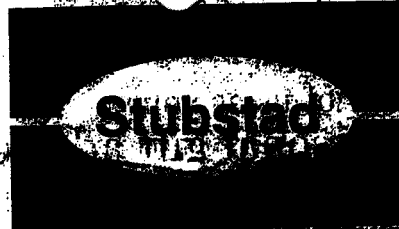
PERSONALLY APPEARED BEFORE ME, A NOTARY PUBLIC

Sharon L. Lane

Sharon L. Lane



To this Company my money was sent to agency
I was told by Ned Nestrom; this was his partner
I did talk to the owner said Ned never send the money
to him and he was not aware of my letter. Please



Bail Bonds
Get out FAST

24 Hour Service

Fast, & Confidential Juvenile or Adult
State Crimes
Bonds up to \$100,000



Agents In Fargo, Detroit Lakes,
Fergus Falls & Sidney, MT

1-800-314-9310

*Please send Back the Business Card
that has the info of Ned Nestrom's
it the original card Thank you*

This person's went together with Ned Nestrom

Joe Day

RECEIVED
MAR 27 2006
Commissioner of Insurance
State of North Dakota

Dilworth Police Department

06-000307

02/20/2006

OFFICER: 18353

RAWSON

☐ Investigation ☐ Accident ☒ Arrests Made ☐ Suspects

Incident Report Form

On 2/27/06 at approximately 0745 hrs, I (Rawson) was contacted by phone by a female who was identified as Leticia Palacios. Palacios request my assistance for a vehicle unlock at her residence at 606 3rd Ave. NW.

Upon my arrival, I located Palacios standing next to MN/BZK-992 (1998 blue Kia Sephia). Palacios signed the unlock waiver form.

Vehicle was unlocked.

I requested Palacios's driver's license to complete my paperwork. Palacios gave me her MN driver's license.

I checked Palacios's driving status and for warrants. I observed Palacios has a felony warrant out of Norman County. I radioed dispatch to confirm the warrant. Warrant was confirmed.

I advised Palacios of the warrant and allowed her the opportunity to contact subjects for the \$4000 cash or \$15000 bond amount.

Palacios was transported to the Clay County Jail, where she was booked and held on the warrant.

Portions of this incident were audio/video recorded. This recorded incident may be erased in conformance with Dilworth Police Department Policy within ninety (90) days unless it is evident that it will be required at a late date.

*15000 bond
10% 1,500
I had 1,460*

WSIRF-01

06-000307

02/20/2006

☒ APPROVED BY: miller

ON 02/28/2006

PAGE 2

Ned Nastrom's
Pawn World

701-729-1713

LOAN HOTLINE

Bail Bond Financing & Short Term Loans

\$1450 Louise Perez
— on Recuse

LETTY Pallaco

Bail Bond
Financing - CHAY